

COUNTY OF SAN BERNARDINO

Corrective Action Plan

(Of departments relating to Single Audit findings)

Year ended June 30, 2013

Compiled by

Auditor-Controller/Treasurer/Tax Collector
Internal Audits Section

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

Finding 2013-001

Recording of Investment Purchases at Year-End

Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

A detailed year-end closing procedure to initialize and reconcile investments purchased prior to year-end will be implemented and the review process for the County GASB 31 fair market value adjustments will be enhanced to ensure the accuracy and facilitate management review.

Name of Responsible Person: Joon Cho, Chief Deputy Controller

Name of Department Contact: Joon Cho, Chief Deputy Controller

Projected Implementation Date: July 1, 2014

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013-002

Program: Guardianship Assistance

CFDA No.: 93.090

Federal Agency: Department of Health and Human Services

Passed-Through: California Department of Social Services

Award Year: FY 2012-13

Compliance Requirement: Allowable Costs and Activities

Department's Response:

We Concur.

Views of Responsible Officials and Corrective Action:

The Transitional Assistance Department (TAD) and Children and Family Services (CFS) receive Federal funding for the Guardian Assistance program, and they both time study to this program. A CFS employee made a coding error on their time study on this program resulting in this finding. TAD will work with the other departments to request that the Program Development Division (PDD) include an additional approval procedure to their policies. This new procedure will require a second approval when an employee signature is not available when comparing the time study and e-Time (EMACS) report. The second supervisor will be signing signature not available (SNA), their name and classification on the line normally used by the employee.

A flyer will be published and distributed by the PDD containing references/reminders to follow the policy in the Children and Family Services Handbook (CFSHB) as well as the Transitional Assistance Handbook (ORHB) for Time Study approval.

Name of Responsible Person: Mari Anton, Accountant III

Name of Department Contact: Mari Anton, Accountant III

Projected Implementation Date: May 1, 2014

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013–003

Program: Block Grants for Community Mental Health Services

CFDA No.: 93.958

Federal Agency: U.S. Department of Health and Human Services

Passed-through: California Department of Health Care Services

Award No.: 194600134715

Award Year: FY 2012-2013

Compliance Requirement: Allowable Activities and Allowable costs/cost Principles

Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Department of Behavioral Health has modified its procedures to reinforce its internal controls and ensure compliance with 2 CFR, Part 225 (OMB circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments". To avoid unallowable costs being charged to federal grants, additional controls have been added to the claiming process, including formal instructions to staff to verify the claim for reimbursement and stop billing for the retirement incentive program (RIP) costs. Secondly, the administrative supervisor will review each claim for reimbursement before submission to the State to ensure all costs claimed are allowable and the Department complies with all applicable laws and regulations.

Name of Responsible Person: Nicholas Longo, Administrative Supervisor I

Name of Department Contact: Jason Hinkle, Administrative Manager

Expected Date of Completion: Implemented

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013-004

Program: Block Grants for Community Mental Health Services
CFDA No.: 93.958
Federal Agency: U.S. Department of Health and Human Services
Passed-through: California Department of Health Care Services
Award No.: Not Applicable
Award Year: FY 2012-2013
Compliance Requirement: Earmarking

Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Department of Behavioral Health has modified its procedures to reinforce its internal controls over the claim for reimbursement submitted to the State under the Community Mental Health Services Block Grant. Under the revised procedures, staff is required to verify all amounts claimed under the grant and ensures the overhead administrative costs are fully supported by the Department cost allocation schedules and capped at the State approved administrative costs allocation rate.

It is worth noting the County has used additional funding in the amount of \$ 4,444,361 of realignment funds to supplement the costs of the Community Mental Health Services Block Grant program.

Name of Responsible Person: Nicholas Longo, Administrative Supervisor I

Name of Department Contact: Jason Hinkle, Administrative Manager

Expected Date of Completion: Implemented

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013-005

Program: Equitable Sharing

CFDA No.: 16.922

Federal Agency: Department of Justice

Passed-through: N/A

Award No.: N/A

Award Year: FY 2012-2013

Compliance Requirement: Special Test and Provisions

Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Sheriff's Department personnel review the AFMLS website to ensure participating agencies set to receive Program funds are in compliance with the program. A screen print of the database query is attached to each distribution to participating agencies to document such compliance. This was a finding from fiscal year 11/12 and corrective action was implemented during fiscal year 12/13 immediately after being made aware of the finding.

Name of Responsible Person: Carolyn Bondoc, Sheriff's Finance Manager

Name of Department Contact: Jeanette Sanchez, Accountant III

Implementation Date: Immediately

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013-006

Program: Equitable Sharing

CFDA No.: 16.922

Federal Agency: U.S. Department of Justice

Passed-through: N/A

Award No.: N/A

Award Year: FY 2012-2013

Compliance Requirement: Procurement Suspension and Debarment

Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

Active monitoring of projects and approved funding has been implemented to assure that deviations or changes from the original funding source are noted and compliance to applicable requirements are communicated to involved County Departments in a timely and effective manner.

Name of Responsible Person: Carolyn Bondoc, Sheriff's Finance Manager

Name of Department Contact: Jeanette Sanchez, Accountant III

Implementation Date: Immediately

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013-007

Program: Equitable Sharing

CFDA No.: 16.922

Federal Agency: U.S. Department of Justice

Passed-through: N/A

Award No.: N/A

Award Year: FY 2012-2013

Compliance Requirement: Davis-Bacon Act

Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Sheriff's Department will provide periodic training to accounting staff regarding the various requirements of OMB Circular A-133 and the Equitable Sharing for State and Local Law Enforcement Agencies. Additionally, the Department will actively participate in periodic training provided by the Department of Justice and Treasury. Furthermore, the Department will update its policies and procedures to ensure any federally funded construction project contract includes all required language necessary to comply with applicable special conditions and requirements (i.e., Davis-Bacon Act).

Name of Responsible Person: Carolyn Bondoc, Sheriff's Finance Manager

Name of Department Contact: Jeanette Sanchez, Accountant III

Implementation Date: July 1, 2014

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013-008

Program: Equitable Sharing

CFDA No.: 16.922

Federal Agency: U.S. Department of Justice

Passed-through: N/A

Award No.: N/A

Award Year: FY 2012-2013

Compliance Requirement: Reporting

Department's Response:

We concur.

Views of Responsible Officials and Corrective Action:

The Sheriff's Department will provide periodic training to accounting staff regarding the various requirements of OMB Circular A-133 and the Equitable Sharing for State and Local Law Enforcement Agencies. The Department will actively participate in periodic training provided by the Department of Justice and Treasury. Transactions and data required for ESAC and SEFA reporting will be reviewed incrementally on a monthly basis by Accounting Supervisor to assure compliance with reporting requirements.

Name of Responsible Person: Carolyn Bondoc, Sheriff's Finance Manager

Name of Department Contact: Jeanette Sanchez, Accountant III

Implementation Date: Immediately

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2013

FINDING 2013-009

Program: Homeland Security Grant Program

CFDA No.: 97.067

Federal Grantor: U.S. Department of Homeland Security

Passed-through: California Emergency Management Agency

Award No.: Various

Award Year: 2009, 2010, 2011, 2012

Compliance Requirement: Subrecipient Monitoring

Department's Response:

We Concur.

Views of Responsible Officials and Corrective Action:

The County Fire Protection District will follow County procedures and will obtain all subrecipient single audit reports in a timely manner. Once obtained, County Fire will review all single audit reports and obtain all applicable corrective action plans. To ensure that these procedures are followed, County Fire is taking the following actions:

- County Fire is in the process of hiring a Contract Account Technician to assist with the monitoring and reviewing of the subrecipient's single audit reports and corrective actions plans. County Fire has acquired a public service employee to assist with the single audit monitoring temporarily until the budgeted Contract Account Technician position is filled.
- An annual timeline will be established to remind subrecipients to submit all single audit reports and corrective action plans to County Fire for review.
- A letter was submitted on March 4, 2014 to all subrecipients requesting that all 2012 and 2013 single audit reports and applicable corrective action plans be submitted to County Fire's grant unit. County Fire grant staff is reviewing and will continue to review all single audit reports and corrective action plans submitted. Staff will follow up on subrecipients who do not submit the requested single audit reports and corrective action plans to ensure that the requested information is obtained.
- Templates and reports have been created to document single audit reporting and to ensure that all corrective action plans are submitted to County Fire.

Name of Responsible Person: Carlo Pacot, Finance Manager

Name of Department Contact: Ericka Sampson, Staff Analyst II

Project Implementation Date: Immediately